

# Boozt

*The English text is an unofficial translation. In case of any discrepancies between the Swedish text and the English translation, the Swedish text shall prevail.*

## NOTICE OF ANNUAL GENERAL MEETING IN BOOZT AB

The shareholders in Boozt AB, Reg. No. 556793-5183, are hereby invited to attend the annual general meeting (Sw. årsstämma) to be held at Malmömässan, Mässgatan 6 in Malmö, Sweden, on Friday 27 April 2018 at 3.00 p.m.

### Right to participate in the meeting and notice of participation

Shareholders wishing to attend the annual general meeting must:

- be registered in the company's share register kept by Euroclear Sweden AB (the Swedish Securities Register Center) as of Saturday 21 April 2018; and
- no later than on Monday 23 April 2018, notify the company of their intention to participate in the annual general meeting on the company's website, [www.booztfashion.com](http://www.booztfashion.com), by mail to Boozt AB, c/o Euroclear Sweden AB, "Årsstämma", P.O. Box 191, SE-101 23 Stockholm, Sweden, or by phone +46(0)8-402 90 19 (weekdays between 10.00 a.m. and 4:00 p.m.). The notice should specify the complete name of the shareholder, personal identity number or company registration number, the number of shares held by the shareholder, address, telephone number during work hours and, when applicable, information on the number of advisors (two at the most).

### Trustee-registered shares

Shareholders, whose shares are trustee-registered, must, in order to be entitled to participate in the general meeting, temporarily register their shares in their own name in the share register kept by Euroclear Sweden AB. Such temporary re-registration of ownership must be implemented no later than as of Saturday 21 April 2018, meaning that the shareholders must well in advance of Friday 20 April 2018 request their trustees thereof since the record date is a Saturday.

### Proxies etc.

A proxy representing a shareholder must bring a written, dated and by the shareholder signed power of attorney to the annual general meeting. The validity term of the power of attorney may be at the longest five years if this is specifically stated. In case no validity term is stated, the power of attorney is valid for at the longest one year. Should the power of attorney be issued by a legal entity, a certified copy of a registration certificate (Sw. registreringsbevis) or equivalent document shall be presented at the meeting. In order to facilitate the preparations before the meeting, a copy of the power of attorney and other proof of authority should be attached to the notice of participation. A template power of attorney can be found at the company website ([www.booztfashion.com](http://www.booztfashion.com)) and will be sent by mail to the shareholders who request it and state their address.

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## Proposed agenda

0. Opening of the meeting.
1. Election of Chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or two persons who shall approve the minutes of the meeting.
5. Determination of whether the meeting was duly convened.
6. Speech by:
  - a. the Chairman of the board of directors; and
  - b. the CEO.
7. Submission of the annual report and the audit report and the consolidated annual report and consolidated audit report.
8. Resolutions regarding:
  - a. adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet;
  - b. allocation of the company's profits in accordance with the adopted balance sheet; and
  - c. discharge of the members of the board of directors and the CEO from liability.
9. Determination of the number of members and deputy members of the board of directors and the number of auditors and deputy auditors.
10. Determination of remuneration for the members of the board of directors and auditors.
11. Election of members of the board of directors and Chairman of the board of directors.
12. Election of auditors and deputy auditors.
13. Resolution on instruction and charter for the Nomination Committee.
14. Determination of Remuneration Policy for the Group Management.
15. Resolution on authorization for the board of directors regarding new share issues.
16. Resolution on implementation of a long term incentive program by way of (A) directed issue of warrants; and (B) approval of transfer of warrants.
17. Closing of the meeting.

## Proposed resolutions

### *Item 1: Election of Chairman of the meeting*

The Nomination Committee, consisting of Bjørn Folmer Kroghsbo, Chairman of the Nomination Committee, (representing Sampension KP Livsforsikring A/S), Christian Lindegaard Jepsen (representing Sunstone Technology Ventures II K/S), Staffan Mörndal (representing Verdane Capital VII K/S) and the Chairman of the board, Henrik Theilbjørn, proposes that lawyer Ola Grahn is elected as Chairman of the meeting.

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## *Item 8 b: Resolution regarding allocation of the company's profits in accordance with the adopted balance sheet*

The board of directors proposes that no dividends are paid to the shareholders and that the available funds of SEK 738,690,090 are carried forward.

## *Item 9: Determination of the number of members and deputy members of the board of directors and the number of auditors and deputy auditors*

The Nomination Committee proposes that the board of directors shall be composed of eight ordinary board members until the end of the next annual general meeting. Furthermore, it is proposed, in accordance with the recommendation from the Audit Committee, that one registered accounting firm is appointed as auditor until the end of the next annual general meeting.

## *Item 10: Determination of remuneration for the members of the board of directors and auditors*

The Nomination Committee proposes that the total remuneration to the board of directors and its committees shall be paid with a maximum of SEK 2,450,000 (SEK 2,450,000 previous year). The proposal means that remuneration shall be paid with SEK 500,000 to the Chairman of the board (SEK 500,000 previous year) and with SEK 250,000 to each of the other board members who are not employed by the company (SEK 250,000 previous year). Furthermore, remuneration is proposed for committee work with SEK 100,000 to be paid in remuneration for the Chairman of the Audit Committee (SEK 100,000 previous year) and SEK 50,000 to each of the other members in the Audit Committee (SEK 50,000 previous year). No remuneration is proposed for committee work in the Remuneration Committee.

Remuneration for the auditor is, in accordance with the recommendation from the Audit Committee, proposed to be paid in accordance with customary norms and approved invoice.

## *Item 11: Election of members of the board of directors and Chairman of the board of directors*

The Nomination Committee proposes that Henrik Theilbjørn, Jimmy Fussing Nielsen, Staffan Mörndal, Jón Björnsson, Kent Stevens Larsen and Charlotte Svensson are re-elected as ordinary board members, that Bjørn Folmer Kroghsbo and Cecilia Lannebo are elected as new ordinary board members, and that Henrik Theilbjørn is re-elected as Chairman of the board. The present board members Gerd Rahbek-Clemmensen and Lotta Lundén have declined re-election.

Information on the board members proposed for re-election can be found in the annual report and at the company's website ([www.booztfashion.com](http://www.booztfashion.com)). Information on the candidates who are proposed as new board members can be found in the reasoned statement from the Nomination Committee.

## *Item 12: Election of auditors and deputy auditors*

The Nomination Committee proposes, in accordance with the recommendation from the Audit Committee, that Deloitte AB is elected as new auditor. Deloitte AB has informed that Didrik Roos will be appointed as the responsible auditor.

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## *Item 13: Resolution on instruction and charter for the Nomination Committee*

The Nomination Committee proposes that a Nomination Committee shall be appointed before coming elections and remuneration, and that an instruction and charter for the Nomination Committee shall be adopted in accordance with the following substantial terms.

The Nomination Committee for the annual general meeting 2019 shall be composed of representatives of the three largest shareholders listed in the shareholders' register maintained by Euroclear Sweden AB as of August 31, 2018 and the Chairman of the board, who will also convene the first meeting of the Nomination Committee. The member representing the largest shareholder shall be appointed Chairman of the Nomination Committee, unless the Nomination Committee unanimously appoints someone else. If earlier than three months prior to the annual general meeting, one or more of the shareholders having appointed representatives to the Nomination Committee no longer are among the three largest shareholders, representatives appointed by these shareholders shall resign and the shareholders who then are among the three largest shareholders may appoint their representatives. Should a member resign from the Nomination Committee before its work is completed and the Nomination Committee considers it necessary to replace him or her, such substitute member is to represent the same shareholder, or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn. Shareholders who have appointed a representative to be a member of the Nomination Committee shall have the right to dismiss such member and appoint a new representative of the Nomination Committee. Changes to the composition of the Nomination Committee must be announced immediately.

The composition of the Nomination Committee for the annual general meeting shall be announced no later than six months prior to that meeting. Remuneration shall not be paid to the members of the Nomination Committee. The company is to pay any necessary expenses that the Nomination Committee may incur in its work. The term of office for the Nomination Committee ends when the composition of the following Nomination Committee has been announced.

## *Item 14: Determination of Remuneration Policy for the Group Management*

The board of directors proposes that a Remuneration Policy regarding determination of remuneration and other benefits for the CEO and Group Management in the company shall be adopted in accordance with the following substantial terms.

The total remuneration shall be based on market terms, be competitive and well balanced as well as contribute to good ethics and company culture. The fixed salary shall be based on the Group Management's competence and area of responsibility, be individual and shall normally be reviewed every year.

Total remuneration shall be comprised as follows:

1. A fixed base salary, set at a level aimed at attracting and retaining executives with professional and personal competences required to drive the company's performance.
2. Short-term incentives, based on the achievement of a number of individual, pre-defined financial and strategic business targets approved by the board of directors. Short-term incentives cannot exceed 50% of the fixed base salary, and are partly related to financial targets and partly to non-financial, strategic business targets.

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3. Long-term incentives in the form of stock options, promoting a balance between short-term achievements and long-term thinking.
4. Pension contributions, if any, are made in accordance with applicable laws and employment agreements.
5. Severance payments in accordance with termination clauses in employment agreements. Severance payments shall comply with local legal framework. No person will be eligible for severance pay in case of termination for willful misconduct or gross negligence.
6. The company's long term incentive programs shall have the objective of aligning interests of the Group Management and selected key employees with the long-term goals of the company and its shareholders. The vesting period for long term incentive programs shall be at least three years. Long term incentive programs shall always be based on shares or share linked instruments. Long term incentive programs shall ensure a long-term commitment to the development of the company. Any share based long term incentive programs will be subject to shareholder approval before being launched.

The board of directors shall be entitled to deviate from the guidelines in individual cases if there are special reasons for doing so.

#### *Item 15: Resolution on authorization for the board of directors regarding new share issues*

The board of directors proposes that the annual general meeting resolves to authorize the board of directors to, at one or several occasions, during the time up until the next annual general meeting, with or without deviation from the shareholders' preferential rights, resolve to issue shares. A new issue should be able to be made with or without provisions regarding contribution in kind, set-off or other conditions. The total number of shares issuable pursuant to the authorization shall not exceed 10 per cent of the total number of existing shares in the company at the time of the annual general meeting. In case the authorization is used for a new issue with deviation from the shareholders' preferential rights, the subscription price shall be on market terms (subject to customary new issue discount, as applicable). The purpose of the authorization is to be able to execute and finance acquisitions of companies and assets.

#### *Item 16: Resolution on implementation of long term incentive program by way of (A) directed issue of warrants; and (B) approval of transfer of warrants*

The board of directors proposes that the annual general meeting resolves on a long term incentive program for the company's CEO, Group Management and key employees based on issue and transfer of warrants (the "**Warrants Program 2018/2021**"). The incentive program is intended to be annual, wherefore the board of directors after having evaluated the program intends to present new proposals for corresponding or adjusted programs ahead of the forthcoming annual general meetings.

To implement the Warrants Program 2018/2021, the board of directors proposes that the annual general meeting resolves on (A) a directed issue of warrants; and (B) an approval of transfer of warrants, on the following terms and conditions:

#### *A. Directed issue of warrants*

A maximum of 1,148,980 warrants shall be issued for the Warrants Program 2018/2021.

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The right to subscribe for the warrants shall, with deviation from the shareholders' preferential rights, vest in a wholly owned subsidiary to the company (the "**Subsidiary**"). The reason for the deviation from the shareholders' preferential rights is that the warrants are issued as part of the implementation of the Warrants Program 2018/2021.

The warrants shall be issued to the Subsidiary free of charge. The reason for the warrants being issued to the Subsidiary free of charge is that the warrants are issued as part of the implementation of the Warrants Program 2018/2021.

The Subsidiary's subscription of the warrants shall be made at the latest on 30 June 2018, with a right for the board of directors to prolong the subscription period.

Over subscription cannot occur.

Each warrant shall entitle to subscription of one share in the company.

The subscription price per share shall correspond to 126 per cent of the volume weighted average price according to Nasdaq Stockholm's official price list for shares in the company during the period as from 18 May 2018 to and including 24 May 2018. The subscription price shall be rounded to the nearest whole öre, whereupon 0.5 öre shall be rounded upwards.

Subscription of shares by virtue of the warrants may be effected as from 1 June 2021 up to and including 14 June 2021.

A share that has been issued upon subscription will entitle to dividends for the first time on the first record date for dividend occurring after subscription of shares through exercise of warrants has been executed.

The utilization price and the number of shares that each warrant confers right to may be subject to recalculation in the event of a bonus issue, split, rights issue etc., wherein the recalculation terms in the complete terms and conditions of the warrants shall be applied.

In case all warrants are utilized for subscription of new shares, the share capital will increase with SEK 95,748.333337.

The Chairman of the board of directors, or anyone appointed by him, shall be authorized to make minor formal adjustments of the resolution which may be required for registration with the Swedish Companies Registration Office (Sw. Bolagsverket) or Euroclear Sweden AB.

## *B. Approval of transfer of warrants*

The Warrants Program 2018/2021 shall principally be carried out in accordance with what is stated below.

The Subsidiary shall be entitled to transfer warrants against payment to participants in the Warrants Program 2018/2021 in accordance with the guidelines set out below.

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Transfer of warrants to participants in the Warrants Program 2018/2021 shall be made at fair market value at the time of the transfer which shall be established by Öhrlings Pricewaterhouse Coopers AB, as an independent valuation institute, in accordance with the Black Scholes formula.

The board of directors of the company resolves on allotment to participants in the Warrants Program 2018/2021 in accordance with the following guidelines:

<b>Position</b>	<b>Number of warrants</b>
CEO	a maximum of 172,347 warrants
Other Group Management (6 persons)	a maximum of 98,000 warrants per person
Key employees category A (10 persons)	a maximum of 75,000 warrants per person
Key employees category B (18 persons)	a maximum of 25,000 warrants per person

Allotment to the participants in the Warrants Program 2018/2021 shall occur no later than 30 June 2018.

A participant can subscribe for a lower number of warrants compared to what is offered to the participant. Over subscription cannot occur.

Right to allotment in the Warrants Program 2018/2021 requires that the participant at the time of allotment holds a position in the company (or another company in the group) or has signed an agreement regarding it and has not, at such time, informed or been informed that the employment will be terminated.

For participants in other jurisdictions than Sweden, it is implied that transfer of warrants is legally possible and that transfer, in the board of director's opinion, can be carried out with reasonable administrative and financial efforts at their established market value. The board of directors shall have the right to adjust the terms of the Warrants Program 2018/2021 to the extent required in order for allotment of warrants to participants in other jurisdictions, to the extent practically possible, to be carried out under the same conditions imposed by the Warrants Program 2018/2021.



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## *Other information regarding the Warrants Program 2018/2021*

The reasons for the implementation of the Warrants Program 2018/2021 and the deviation from the shareholders' preferential rights are to be able to create possibilities for the company to retain senior executives and key employees through the offering of a long term ownership engagement. Such ownership engagement is expected to contribute to increased alignment of interests between the participating employees and the shareholders, and also promote a long-term commitment to the development of the company.

Since the warrants in the Warrants Program 2018/2021 will be transferred to the participants at market value, the company's assessment is that the company will not incur any social costs in relation to Warrants Program 2018/2021. The company's costs related to Warrants Program 2018/2021 will hence only be composed of limited costs for implementation and administration of the program.

In case all warrants issued within the Warrants Program 2018/2021 are utilized for subscription of new shares, a total of 1,148,980 new shares will be issued, which corresponds to a dilution of approximately 2.0 percent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of the warrants issued within the Warrants Program 2018/2021. The key figure earnings per share before taxes for the full year 2017 had then been changed in such way that the result per share had been changed from SEK -0.241 to SEK -0.236.

There is currently one employee option program outstanding in the company ("**Options Program 2015**"). In total, 2,442,540 employee options have been allotted under Options Program 2015 and additionally 767,460 warrants have been issued to a subsidiary to the company to cover social security charges. The options in Options Program 2015 is subject to a vesting schedule whereby 33 per cent of the options will vest on the date falling 12 months following the first day of trading of the company's shares on Nasdaq Stockholm (that occurred on 31 May 2017), 33 per cent of the options will vest on the date falling 24 months following the first day of trading of the company's shares on Nasdaq Stockholm and the remaining 34 per cent of the options will vest on the date falling 36 months following the first day of trading on the company's shares on Nasdaq Stockholm. Vested options can be utilized during 14 days following the publication of each of the company's quarterly reports, or as regards the full year, the year-end report. The right to utilize options does however terminate automatically on the date that falls 60 months following the first day of trading of the company's shares on Nasdaq Stockholm. Each option/warrant issued in relation to Options Program 2015 entitles to subscription of one share at an utilization price of SEK 26.17 plus compounded interest rate of 8 per cent per annum from 30 June 2015 capitalized annually as of 30 June each year until the last date in the calendar month immediately preceding the day when an utilization is made. In case all warrants issued in relation to Options Program 2015 are utilized for subscription of shares, a total of 3,210,000 new shares will be issued, which corresponds to a dilution of approximately 5.4 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all warrants that can be utilized under the Option Program 2015.



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In case all outstanding warrants as well as the warrants proposed to be issued upon resolution by the annual general meeting are utilized, a total of 4,358,980 shares will be issued, which corresponds to a dilution of approximately 7.2 per cent of the company's share capital and votes after full dilution, calculated on the number of shares that will be added upon full utilization of all outstanding warrants and proposed warrants.

The above calculations regarding dilution and impact on key ratios are subject to re-calculation of the warrants in accordance with the customary recalculation terms included in the applicable warrant terms.

The proposal of the Warrants Program 2018/2021 has been prepared by the Remuneration Committee with advice from external experts. The final proposal has been resolved by the board of directors.

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## Particular majority requirements

For a valid resolution on the proposal pursuant to item 15, the proposal has to be supported by shareholders representing at least two-thirds of the votes cast as well as of all shares represented at the annual general meeting. For a valid resolution on the proposal pursuant to item 16, the proposal has to be supported by shareholders representing at least nine-tenths of the votes cast as well as of all shares represented at the annual general meeting.

## Information at the annual general meeting

The board and the CEO shall at the annual general meeting, if any shareholder so requests and the board believes that it can be done without significant harm to the company, provide information regarding circumstances that may affect the assessment of items on the agenda, circumstances that can affect the assessment of the company's or its subsidiaries financial position and the company's relation to other companies within the group.

## Financial statements and complete proposals

Financial statements, the audit report, the statement by the auditor on the compliance of the applicable guidelines for remuneration to Group Management and the complete proposals for resolutions will be available for the shareholders at the company's office at Hyllie Boulevard 10 B, SE-215 32 Malmö, Sweden, and at the company's website ([www.booztfashion.com](http://www.booztfashion.com)) as from no later than three weeks prior to the annual general meeting. Copies of the documents will be sent to the shareholders upon their request to the company, provided that such shareholders state their address, and will also be made available at the annual general meeting.

## Number of shares and votes in the company

The total number of shares and votes in the company amounts to 56,338,433. The company does not hold any own shares.

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Malmö in March 2018

Boozt AB (publ)

The Board of Directors